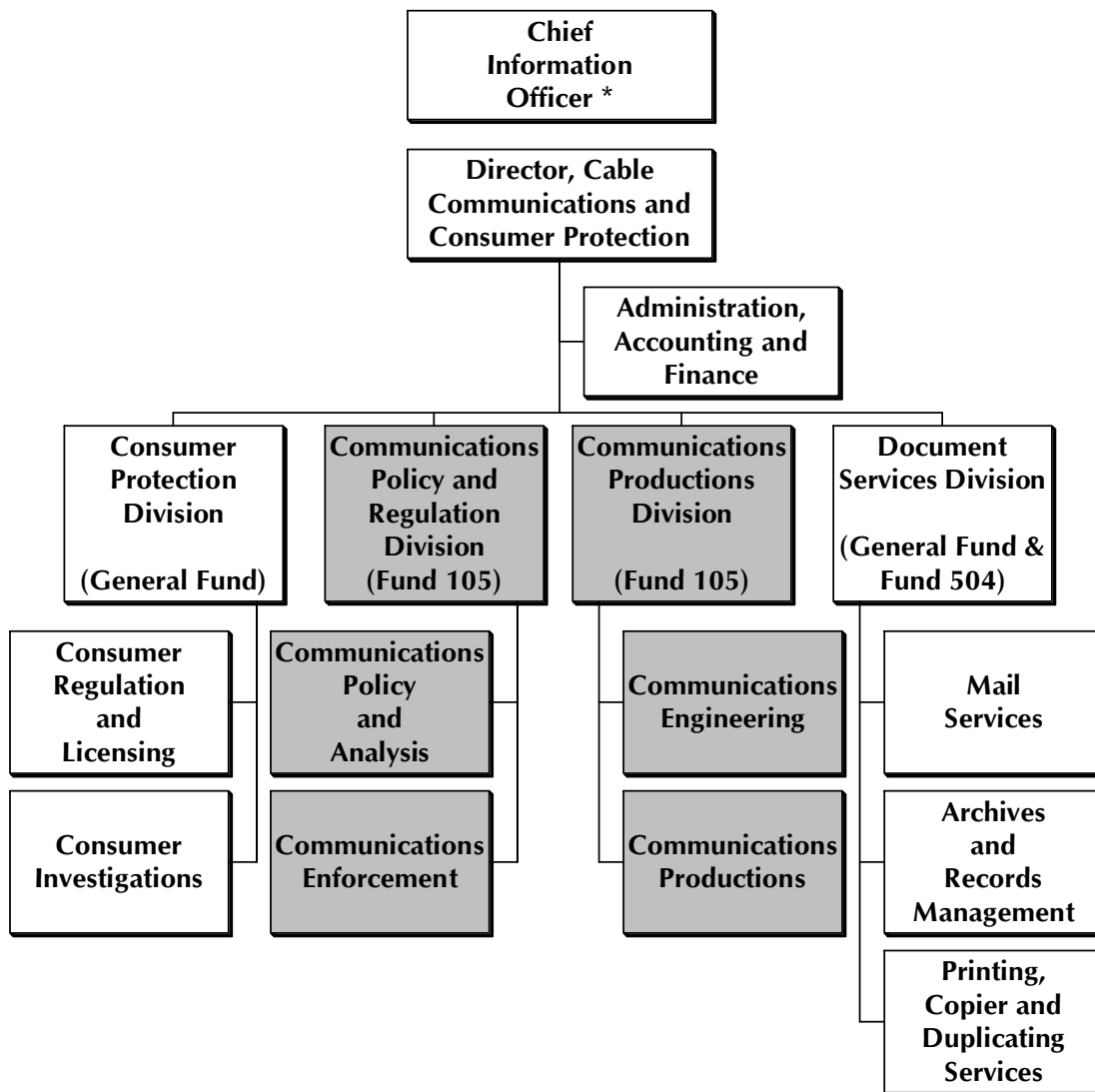


Fund 105

Cable Communications



*The Chief Information Officer has responsibility for strategic direction and oversight of this agency; however, for budget purposes, this position and associated funding are reflected within the Department of Information Technology.

The Department of Cable Communications and Consumer Protection is the umbrella agency for three distinct functions: Consumer Protection, Document Services, and Cable Communications. The total agency staff of 103/103.0 SYE positions and a \$26.0 million budget is dispersed over three funding sources. The Consumer Protection Division, which responds to consumer complaints and ensures business compliance with applicable laws, is presented within the Public Safety Program Area (Volume I) and is fully supported by the General Fund. The Document Services Division, which provides publication sales, archives and records management, mail, printing, and copier services to County agencies and printing services to Fairfax County Public Schools, is presented in both the Legislative-Executive Program Area (Volume I) as well as in Fund 504 (Volume II). Fund 504 activities are funded by a General Fund transfer which supports the lease of digital multi-functional devices (copiers) throughout County agencies, and by revenue received from County agencies and the Fairfax County Public Schools for printing and duplicating charges. The Cable Communications function, which is responsible for television programming and for communications regulation, is presented in Fund 105 (Volume II). Fund 105 is supported principally by revenue received from local cable operators through franchise agreements. While the three functions of Cable Communications and Consumer Protection provide diverse services, they all provide quality customer service to the community and work collaboratively with County agencies, neighboring jurisdictions and professional organizations.

Fund 105

Cable Communications

Mission

To encourage telecommunication industry development throughout the County that offers the greatest diversity and highest quality service at the least cost to citizens and businesses; to develop goals for future telecommunications development and related legislation; to provide regulatory oversight and enforcement of telecommunications statutes; to provide production services for visual communication technologies and informational programming for County citizens; and to support internal communications and training programming for County employees.

Focus

The Cable Communications Fund was established by the Board of Supervisors in 1982 to provide accurate accounting of costs and revenues associated with the administration of the County's Cable Communications Ordinance and Franchise Agreements (COFA). Revenue supporting this fund comes from an Institutional Network (I-Net) grant (part of the franchise agreement) and the franchise fees received from local cable operators based on their gross revenues. In FY 2005, revenue is estimated to be \$11,383,994, a 5 percent increase over FY 2003 revenues, based on the projected increase in the cable operators' gross revenues. The Communications Productions and the Communications Policy and Regulation Divisions will continue to administer all aspects of the County's COFA. The Communications Productions Division (CPD) is responsible for the production of television programming for Channel 16, the Public Information Channel, and the Fairfax County Training Network (FCTN). Channel 16 programming includes both Board of Supervisors-directed programming and the highest-rated program proposals submitted by County agencies. In FY 2005, Channel 16 will televise 360 live Board of Supervisors and Planning Commission meetings, County Executive projects, Board-directed special programming, town meetings and monthly video newsletters for Board of Supervisors members. In addition, 194 programs and teleconferences which describe the services of County agencies also will be televised. Channel 16 reaches an estimated 600,000 residents with information programming about County programs and services that serve the community. In addition, all Channel 16 programming is now videostreamed, reaching an even larger audience.

In addition to programming for the public, the CPD is responsible for programming on the closed-circuit FCTN. In FY 2005, the CPD will televise 87 training and internal communications productions which present the most critical programs for unmet County training needs, as well as national satellite conferences, telecommunication courses, video training, and lectures on areas such as leadership, team work, self improvement, and management issues. FCTN programming reaches approximately 25,000 combined County and Fairfax County Public School (FCPS) employees, with the latest training and professional development programming to improve services to citizens.

The Communications Productions Division will continue to operate an emergency message system for citizens, serve as a centralized resource for loan pool equipment for County agencies, manage a satellite downlink for County teleconferencing, and support the Video Magistrate System, County kiosk system, Internet video, video teleconferencing and video streaming of Channel 16 on the Internet to better serve County citizens.

THINKING STRATEGICALLY

Strategic challenges for the Department include:

- Providing quality educational and informational cable television programming that meets the needs of a diverse community;
- Utilizing new cost-effective technologies to convey information to the public;
- Maintaining a highly skilled and knowledgeable workforce that interacts with a dynamic communications industry;
- Investigating and resolving citizen complaints involving cable technical performance issues; and
- Ensuring the development, compliance and enforcement of federal, state and local communications standards in a rapidly changing industry and uncertain regulatory environment.

Fund 105

Cable Communications

As a result of a comprehensive viewer survey, focus group input and benchmarking comparison to other jurisdictions, the CPD will be evaluating and redesigning Channel 16 and FCTN programming in FY 2005 to meet survey responses; developing an external/internal communications campaign to publicize County programs and initiatives; and enhancing current operations and customer service through technology changes. The CPD will continue to maintain a national presence, be a leader in the quality of programming produced and research new services to enhance operations such as interactive television.

The Communications Policy and Regulation Division (CPRD) is responsible for promoting an environment that encourages the development, implementation and promotion of competition in the telecommunications industry that offers the greatest diversity and highest quality service at the least cost to County citizens and businesses; developing goals for future telecommunications development and related legislation; and providing regulatory oversight and enforcement of telecommunications statutes.



CPRD will continue to represent Fairfax County citizens through leadership and position statements on state and national telecommunications issues. Anticipating and identifying community needs for telecommunications services is an important part of CPRD's role to provide the optimum communications environment for Fairfax County citizens. In addition, CPRD will conduct outreach initiatives to further facilitate communications with citizens through different media such as surveys, electronic mail, web, newspapers, public relations or other communications resources.

CPRD will provide regulatory oversight to accommodate new or developing cable and telecommunications technologies. The County has franchised two cable operators to serve a combined total of over 260,000 subscribers. Each of these franchises establishes requirements for the provision of cable service that must be actively monitored and enforced by the franchising authority. CPRD's operation consists of regulatory, inspection, enforcement and engineering functions. The County's regulatory function ensures technical and service performance compliance of cable operators with the franchise agreements, the Fairfax County Code (Chapter 9.1, Communications), and Federal Communications Commission (FCC) and other federal regulations. CPRD's field inspection functions include enforcing strict compliance with all federal, state and County codes and standards pertaining to telecommunications construction in the County. The County is also an enforcement agent for Virginia Department of Transportation (VDOT) and inspects cable plants situated in VDOT's rights-of-way. CPRD's engineering function includes enforcing compliance with cable television technical performance standards and investigation and resolution of subscriber complaints resulting from cable technical performance issues. Additionally, it supports video and data communications projects associated with the connection of County facilities to the Institutional Network (I-Net).

The I-Net, is a fiber optic cable network designed to support the video, voice and data services that the County and Fairfax County Public Schools (FCPS) currently provide using commercial telecommunications carriers. Upon completion, 390 County and FCPS facilities will be connected to the I-Net. In FY 2005, funding is identified to design and begin the implementation of the I-Net. The initial I-Net implementation will include County and FCPS video training channels that must migrate from the subscriber cable system, as required in the County's cable franchise agreement. Future funding will be used to migrate County and FCPS voice and data services to the I-Net.




Fund 105 Cable Communications

New Initiatives and Recent Accomplishments in Support of the Fairfax County Vision


 Maintaining Safe and Caring Communities	Recent Success	FY 2005 Initiative	Cost Center
Continue to independently review and provide test sites to cable operators to ensure compliance with FCC technical performance standards.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Communications Policy and Regulation Division
Continue to independently test upgraded cable system nodes (transition points from optical signal to radio frequency signal in hybrid fiber/coaxial cable system) to ensure compliance with FCC technical performance standards.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Communications Policy and Regulation Division
Continue to provide emergency messages and specialized programs to meet citizen communication needs in the event of terrorist incidents, biochemical situations, weather emergencies and other events that require quick, reliable mass communication.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Communications Productions Division
 Connecting People and Places	Recent Success	FY 2005 Initiative	Cost Center
Enhanced department website to include public access to the County's cable franchise agreements and links to the <u>Fairfax County Code</u> as well as provided option for citizens to submit construction complaints electronically.	<input checked="" type="checkbox"/>		Communications Policy and Regulation Division
Participate through the National Association of Telecommunications Officers and Advisors and the Society for Cable Telecommunications Engineers to develop and issue a handbook supporting the National Electrical Code as it relates to cable television services.		<input checked="" type="checkbox"/>	Communications Policy and Regulation Division
Continue to coordinate and provide support for the annual conference of the Virginia Association of Telecommunications Officers and Advisors (VATOA). VATOA addresses telecommunications policy, regulation and enforcement issues in the Commonwealth of Virginia.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Communications Policy and Regulation Division
Continue to research a pilot program on interactive television to provide additional e-government services via cable television for greater community access.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Communications Productions Division

Fund 105

Cable Communications

 Connecting People and Places	Recent Success	FY 2005 Initiative	Cost Center
Continue to design, develop and provide video applications for County website and kiosks and special projects to enhance IT services to citizens; support video magistrate and other court video projects to expand court operations; and implement video streaming of Channel 16 via County website including live and archived programming for public information.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Communications Productions Division
 Creating a Culture of Engagement	Recent Success	FY 2005 Initiative	Cost Center
Develop a document that summarizes the current telecommunications resources in Fairfax County and looks at future telecommunications initiatives.		<input checked="" type="checkbox"/>	Communications Policy and Regulation Division
Implement the redesign of Channel 16 and FCTN as a result of viewer surveys, focus groups and review of other jurisdictions to better serve the needs of the community.		<input checked="" type="checkbox"/>	Communications Productions Division
 Corporate Stewardship	Recent Success	FY 2005 Initiative	Cost Center
Constructed fiber optic Institutional Network (I-Net) that provides cost effective fiber optic connectivity among 390 County and FCPS sites for video, voice and data services.	<input checked="" type="checkbox"/>		Communications Policy and Regulation Division
Design and begin activation of fiber optic I-Net for data transport between County and FCPS sites.		<input checked="" type="checkbox"/>	Communications Policy and Regulation Division
Negotiate a cable franchise renewal agreement for cable communications that serves the Reston area.		<input checked="" type="checkbox"/>	Communications Policy and Regulation Division
Continue to oversee construction process of cable operators' rebuild and upgrade of cable plant in order to provide improved performance and enhanced services for Fairfax County residents.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	Communications Policy and Regulation Division

Fund 105 Cable Communications

 Corporate Stewardship	Recent Success	FY 2005 Initiative	Cost Center
Continue to maintain a national presence in the creation of high quality award winning informational programming for citizens and employees, resulting in the receipt of several national awards including the Government Video Promotional Video Star Award, as well as receiving awards from organizations such as the Alliance for Community Media, and the National Association of Telecommunications Officers and Advisors for programming excellence and professional quality.	☑	☑	Communications Productions Division

Budget and Staff Resources

Agency Summary					
Category	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	39/ 39	39/ 39	39/ 39	39/ 39	39/ 39
Expenditures:					
Personnel Services	\$3,345,445	\$3,556,732	\$3,556,732	\$3,697,908	\$3,697,908
Operating Expenses	1,531,139	2,171,024	12,666,482	9,012,898	9,012,898
Capital Equipment	470,826	250,000	4,170,141	250,000	250,000
Total Expenditures	\$5,347,410	\$5,977,756	\$20,393,355	\$12,960,806	\$12,960,806

FY 2005 Funding Adjustments

The following funding adjustments from the FY 2004 Revised Budget Plan are necessary to support the FY 2005 program:

- ◆ **Employee Compensation** **\$141,176**
 An increase of \$141,176 in Personnel Services associated with salary adjustments necessary to support the County's compensation program.
- ◆ **I-Net Implementation** **\$6.6 million**
 An increase of \$6.6 million, to be appropriated from I-Net Grant funding received since FY 1999 and held in fund balance, to support the implementation of the I-Net at County and FCPS sites. This funding, held in reserve until Cox Communications completed the construction of the I-Net, will be used over the next several years to provide software and infrastructure enabling current video, voice and data services to run over the I-Net.
- ◆ **Carryover Adjustments** **(\$10.4 million)**
 A decrease of \$10.4 million in Operating Expenses due to the carryover from FY 2003 for costs associated with implementing the I-Net. Delays in the Cox Communication schedule for construction of the I-Net has delayed the expenditure of funds for implementation.
- ◆ **Capital Equipment** **\$250,000**
 Capital Equipment of \$250,000 is funded to support the replacement of equipment in the Board Auditorium and Production Studio.

Fund 105 Cable Communications

Board of Supervisors' Adjustments

The following funding adjustments reflect all changes to the FY 2005 Advertised Budget Plan, as approved by the Board of Supervisors on April 26, 2004:

- ◆ The Board of Supervisors made no adjustments to this fund.

Changes to FY 2004 Adopted Budget Plan

The following funding adjustments reflect all approved changes in the FY 2004 Revised Budget Plan since passage of the FY 2004 Adopted Budget Plan. Included are all adjustments made as part of the FY 2003 Carryover Review and all other approved changes through December 31, 2003:

- ◆ **Unencumbered Carryover Adjustment** **\$13,797,796**
As part of the FY 2003 Carryover Review, \$13,797,796 in unencumbered carryover was added, including \$9,877,655 in Operating Expenses and \$3,920,141 in Capital Equipment, primarily for I-Net related expenses that were not made in FY 2003 due to delays in the Cox Communications construction and implementation schedule. The implementation of the I-Net is contingent on completion of the overall cable system upgrade.
- ◆ **Encumbered Carryover Adjustment** **\$617,803**
As part of the FY 2003 Carryover Review, \$617,803 in encumbered carryover was added.

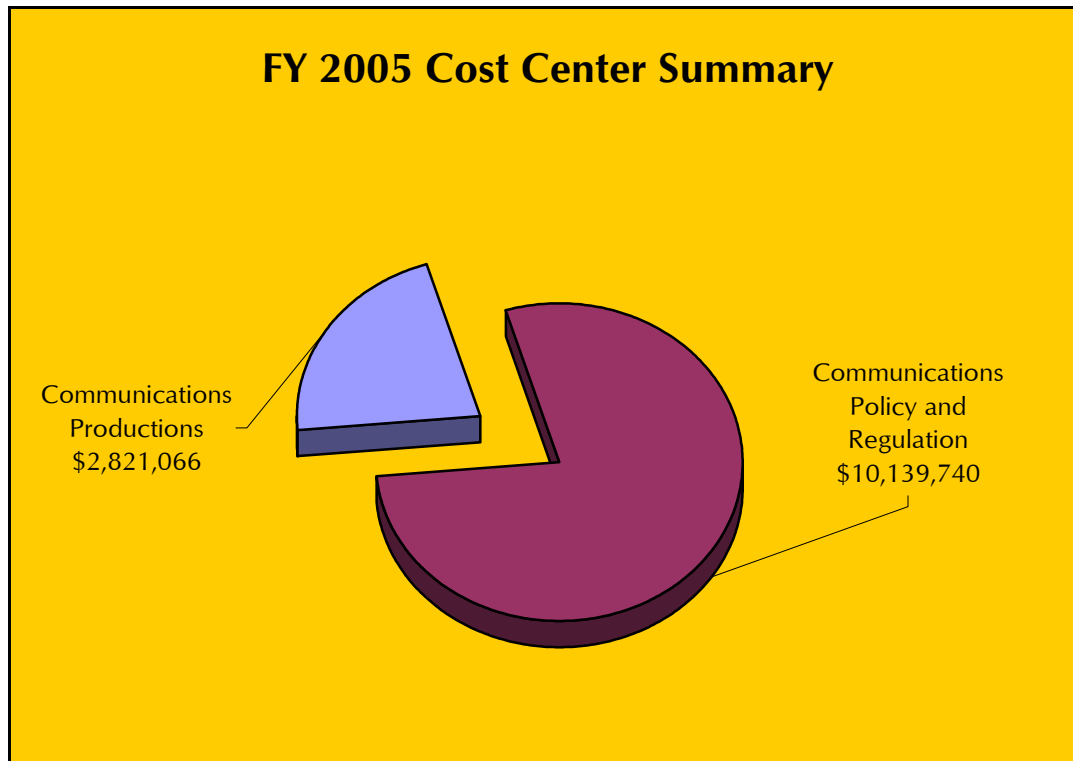
The following funding adjustments reflect all approved changes to the FY 2004 Revised Budget Plan from January 1, 2004 through April 19, 2004. Included are all adjustments made as part of the FY 2004 Third Quarter Review:

- ◆ The Board of Supervisors made no adjustments to this fund.

Fund 105 Cable Communications

Cost Centers

The two cost centers within Fund 105, Cable Communications that work together to achieve the mission of the Fund are the Communications Productions Division and the Communications Policy and Regulation Division. In FY 2005, approximately \$8 million of the \$10,139,740 in the Communications and Policy Regulation Division is dedicated for I-Net initiatives.



Communications Productions Division

Funding Summary					
Category	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	22/ 22	22/ 22	22/ 22	22/ 22	22/22
Total Expenditures	\$2,714,511	\$2,722,120	\$2,742,380	\$2,821,066	\$2,821,066

Position Summary		
<u>Communications Productions Division</u>	<u>Communications Engineering</u>	<u>Communications Productions</u>
1 Director, Comm. Productions	1 Engineer III	1 Instructional Cable TV Specialist
2 Administrative Assistants II	1 Engineer II	5 Producers/Directors
	1 Video Engineer	4 Assistant Producers
		4 Media Technicians
<u>Administration, Accounting and Finance</u>		
2 Administrative Assistants II		
TOTAL POSITIONS		
22 Positions / 22.0 Staff Years		

Fund 105

Cable Communications

Key Performance Measures

Goal

To provide a centralized video production center and satellite conferencing facility for the Board of Supervisors, County Executive, and all County agencies in order to communicate critical County information to citizens and training for employees, and to provide related production services in new technologies to benefit the public and County operations.

Objectives

- ◆ To serve the public information needs of the County by completing 98 percent of Channel 16 public information television programs requested on the FY 2005 production plan, while maintaining cost, quality and work hour efficiencies.
- ◆ To train and educate the County workforce in the most cost effective manner possible by increasing the number of purchased programs and satellite telecourses and completing 98 percent of FCTN training programs on the FY 2005 production plan, while reducing the work hours needed for original programming.

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2001 Actual	FY 2002 Actual	FY 2003 Estimate/Actual	FY 2004	FY 2005
Output:					
Original live program hours	774.5	792.0	710.0 / 698.0	714.0	717.0
Original studio program hours	46.0	46.0	75.0 / 54.6	67.0	68.0
Original field program hours	94.5	101.0	161.0 / 101.5	149.7	154.6
Efficiency:					
Live program work hours per program hour	5.5	5.6	5.2 / 5.6	5.2	5.2
Studio program work hours per program hour	42.9	40.8	44.8 / 40.3	46.4	50.0
Field program work hours per program hour	160.2	167.2	157.5 / 159.7	157.3	163.3
Service Quality:					
Percent of clients satisfied with Channel 16 programs	97%	97%	97% / 97%	97%	97%
Percent of clients satisfied with Channel 41 programs	97%	97%	97% / 97%	97%	97%
Percent of clients satisfied with technology support projects	97%	97%	97% / 97%	97%	97%
Outcome:					
Percent of requested programs completed on Channel 16	100%	100%	98% / 100%	98%	98%
Percent of requested programs completed on FCTN	100%	100%	98% / 100%	98%	98%

Fund 105

Cable Communications

Performance Measurement Results

While the original live program hours per year remains fairly constant from year to year, original studio and original field programs on Channels 16 and FCTN vary from year to year as requested by the Board of Supervisors, the County Executive and as prioritized by advisory committees. The three efficiency calculations combine data for Channel 16 and FCTN original programs. To further measure service quality, a client questionnaire has been developed to determine customer satisfaction and is being implemented in FY 2004.

Communications Policy and Regulatory Division

Funding Summary					
Category	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
Authorized Positions/Staff Years					
Regular	17/17	17/17	17/17	17/17	17/17
Total Expenditures	\$2,632,899	\$3,255,636	\$17,650,975	\$10,139,740	\$10,139,740

Position Summary		
<u>Communications Policy and Regulation Division</u>	<u>Communications Policy and Analysis</u>	<u>Communications Regulation and Enforcement</u>
1 Director, Policy and Regulation	2 Management Analysts III	1 Management Analyst III
1 Administrative Assistant III		1 Engineer III
	<u>Administration, Accounting and Finance</u>	1 Engineering Technician III
	1 Director	1 Communications Engineer
	1 Administrative Assistant V	4 Senior Electrical Inspectors
	1 Administrative Assistant IV	
	1 Administrative Assistant II	<u>Consumer Protection Division</u>
		1 Consumer Specialist I
TOTAL POSITIONS		
17 Positions / 17.0 Staff Years		

Key Performance Measures

Goal

To encourage telecommunication industry development throughout the County that offers the greatest diversity and highest quality service at the least cost to citizens and businesses; to develop goals for future telecommunications development and related legislation; and to provide regulatory oversight and enforcement of telecommunications statutes.

Objectives

- ◆ To enforce strict compliance with all federal, state, and County codes and standards pertaining to telecommunications construction in the County and to ensure 100 percent compliance of violations issued.
- ◆ To activate 100 percent of the total number of Institutional Network (I-Net) hub locations for data transport.
- ◆ To reduce the number of complaints against cable operators per 1,000 subscribers from 10 to 9.

Fund 105

Cable Communications

Indicator	Prior Year Actuals			Current Estimate	Future Estimate
	FY 2001 Actual	FY 2002 Actual	FY 2003 Estimate/Actual	FY 2004	FY 2005
Output:					
Yearly work locates received	NA	NA	31,000 / 46,056	31,000	31,000
Institutional Network signal checks, inspections or repairs	NA	NA	190 / 280	190	200
I-Net hub locations constructed (1)	NA	NA	0 / 0	7	0
Complaints against cable operators reviewed for enforcement actions (customer service and construction)	NA	NA	100 / 79	80	80
Efficiency:					
Staff hours per field inspections, re-inspections, signal checks, equipment installations, and technical investigations	NA	NA	0.93 / 0.60	0.93	0.93
Staff hours per Institutional Network signal check, inspections or repairs	NA	NA	0.86 / 1.30	1.50	1.50
Staff hours per I-Net hub location activated	NA	NA	NA / NA	NA	80
Staff hours per complaints received	NA	NA	NA / NA	24	24
Service Quality:					
Percent of sites inspected	NA	NA	18.9% / 27.3%	18.9%	18.9%
Percent of I-Net on-time activations	NA	NA	NA / 0%	NA	95%
Percent of reviewed complaints against cable operators resulting in enforcement actions	NA	NA	80% / 0%	80%	80%
Outcome:					
Percent of violations corrected	NA	NA	100% / 100%	100%	100%
Percent of total I-Net network locations activated	NA	NA	100% / 0%	0%	100%
Complaints against cable operators per 1,000 subscribers	NA	NA	9 / 9	10	9

(1) The activation for the seven I-Net hub/network locations is a one time requirement.

Fund 105

Cable Communications

Performance Measurement Results

The Cable Franchise Agreement between the County and Cox Communications of Northern Virginia (CCNV) required CCNV to complete cable upgrade by May 31, 2002. CCNV did not complete its upgrade according to its Cable Franchise Agreement. As a result, the County and CCNV entered into an agreement that included a one-year extension to complete its cable system upgrade. In order to meet this schedule, CCNV increased its workforce from about 300 to over 1,700, resulting in a dramatic increase in construction activities in the County. Subsequently, the increase in construction activities resulted in an increase in daily work locates received from CCNV from an estimated 31,000 to 46,056 in FY 2003. The County's inspectors encountered higher levels of construction deficiencies and violations within each subdivision, likely due to the increased volume of activity. However, this reduced travel time and improved the efficiency to 0.60 hour/inspection. It is anticipated that CCNV construction activity will return to normal rates in FY 2004 and staff efficiency will return to the forecasted level.

The percent of reviewed complaints against cable operators resulting in enforcement actions was not applicable in FY 2003 as issues with CCNV were addressed in the terms of the agreement between the County and CCNV.

Fund 105

Cable Communications

FUND STATEMENT

Fund Type G10, Special Revenue Funds

Fund 105, Cable Communications

	FY 2003 Actual	FY 2004 Adopted Budget Plan	FY 2004 Revised Budget Plan	FY 2005 Advertised Budget Plan	FY 2005 Adopted Budget Plan
Beginning Balance	\$18,964,394	\$7,088,933	\$21,322,360	\$8,559,310	\$8,559,310
Revenue:					
Miscellaneous Revenue	\$1,618	\$2,800	\$2,800	\$2,800	\$2,800
Fines and Penalties	6,200	0	0	0	0
I-Net and Equipment Grant	2,840,218	2,999,869	2,999,869	2,986,630	2,986,630
Franchise Operating Fees	7,947,648	7,627,115	7,627,115	8,394,564	8,394,564
Total Revenue	\$10,795,684	\$10,629,784	\$10,629,784	\$11,383,994	\$11,383,994
Total Available	\$29,760,078	\$17,718,717	\$31,952,144	\$19,943,304	\$19,943,304
Expenditures:					
Personnel Services	\$3,345,445	\$3,556,732	\$3,556,732	\$3,697,908	\$3,697,908
Operating Expenses	1,531,139	2,171,024	5,036,482	9,012,898	9,012,898
I-Net Contribution ¹	0	0	7,630,000	0	0
Capital Equipment	470,826	250,000	4,170,141	250,000	250,000
Subtotal Expenditures	\$5,347,410	\$5,977,756	\$20,393,355	\$12,960,806	\$12,960,806
Transfers Out:					
General Fund (001) ²	\$1,465,732	\$1,396,150	\$1,396,150	\$1,666,444	\$1,666,444
Schools Grants and Self Supporting Programs (192) ³	1,374,576	1,353,329	1,353,329	1,534,140	1,534,140
Schools Grants and Self Supporting Programs (192) ⁴	250,000	250,000	250,000	250,000	250,000
Total Transfers Out	\$3,090,308	\$2,999,479	\$2,999,479	\$3,450,584	\$3,450,584
Total Disbursements	\$8,437,718	\$8,977,235	\$23,392,834	\$16,411,390	\$16,411,390
Ending Balance⁵	\$21,322,360	\$8,741,482	\$8,559,310	\$3,531,914	\$3,531,914
Reserve for PC Replacement	\$42,600	\$72,600	\$72,600	\$19,800	\$19,800
Unreserved Ending Balance	\$21,279,760	\$8,668,882	\$8,486,710	\$3,512,114	\$3,512,114

¹ In FY 1999, an amount of \$2.8 million was approved from fund balance to support the first year payment associated with the installation of the Institutional Network (I-Net). In FY 2000 a payment of \$770,000 was made. Additionally, an estimated \$7.6 million will be spent in FY 2004 for the remaining cost of the I-Net construction. These expenditures are only for the construction of the I-Net as provided for in the franchise agreement with Cox Communications and does not include equipment and other operational funding.

² The Transfer Out to the General Fund represents compensation to the General Fund for rent on property and public "rights-of-way" used by the cable companies serving Fairfax County. The amount represents approximately one percent of the gross revenues of the cable operators in the County (20 percent of franchise fees).

³ This funding reflects a direct transfer to Fairfax County Public Schools (FCPS) to support the educational access grant. The amount is calculated as one percent of the gross revenues of Cox Communications. The actual amount to be transferred to the FCPS on an annual basis is based on actual gross receipts. Annual reconciliation of the revenue and subsequent transfer will be conducted and adjustments to the transfer level will be incorporated in next year's budget.

⁴ This funding reflects a direct transfer to FCPS to support a replacement equipment grant of \$250,000.

⁵ Ending balances have significantly decreased in this fund since FY 2003 due to the costs associated with the finalization of construction on the County's I-Net in FY 2004 and due to the operation of the I-Net, expected to commence in FY 2005.